

USDA RURAL DEVELOPMENT
Strategic Plan for Fiscal Years 2005 – 2010

Goal 2: Improve the Quality of Life in Rural America

America's rural communities have a remarkable energy and strength of character. USDA Rural Development will partner its resources with the unique qualities of rural communities, thereby helping them to grow, share in a healthy economy and realize an enhanced quality of life.

However, if new businesses are to startup in or relocate to rural America, the local rural community must possess the amenities that businesses require and employees' desire. This includes not only access to such basic needs as clean water, adequate housing, and reliable electricity and telecommunications, but also access to essential needs such as quality education, health care and day care. Rural Development is an important source of credit and technical assistance for these purposes which are essential to rural residents and communities if they are to improve their standard of living.

Critical to the well being of any community is the availability of adequate housing for all members of the community. Ensuring low-income families have access to decent and safe housing is a major concern in every area, whether urban or rural. Rural Development provides financing for low and moderate income rural families, who cannot obtain credit from other sources, to help them achieve homeownership. The ownership of a home provides stability to families and gives them the opportunity to strengthen their financial condition through the accrual of equity in their home. The President has expressed his desire to ensure all Americans share in the opportunity for homeownership and has established a major initiative to increase minority homeownership nationwide. Rural Development will implement a five star action plan in support of the President's goal.

Objective 2.1 - Provide decent, safe and affordable housing

Strategies

- Support the President's minority homeownership initiative by implementing a five star action plan that:
 1. lowers fees to reduce barriers to minority homeownership;
 2. doubles the number of self-help participants by 2010;
 3. increases participation by minority lenders through outreach;
 4. promotes credit counseling and homeownership education; and
 5. monitors the lending activities to ensure 10 percent increase in minority homeownership.
- Aggressively market the housing programs to ensure all potential customers are aware of the programs.
- Develop relationships with all appropriate sources of funding for housing in rural communities to increase the leveraging of Rural Development's funds with outside sources of affordable housing finance products.



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- Promote self-help housing as a way to assist the neediest rural residents, especially in those states that do not currently utilize the program.

Performance Measures

Help rural households buy a home of their own.

Baseline: 2003 -- Helped 44,130 households purchase a home.

Target: 2010 -- Help 25,700 households purchase a home.

Support the President's Initiative to increase the number of minority homeowners.

Baseline: 2003 -- 19.1 percent of all Section 502 direct and guaranteed loans to minority households in rural areas to purchase affordable housing.

Target: 2010 -- 20.8 percent of all Section 502 direct and guaranteed loans to minority households in rural areas to purchase affordable housing.

Use leveraging to increase the availability of funds for new construction and rehabilitation of multi-family housing projects.

Baseline: 2003 -- Employed outside funds equal to 99 percent of the Rural Development funds invested in the construction or rehabilitation of multi-family housing projects.

Target: 2010 -- Employ outside funds equal to 105 percent of the Rural Development funds invested in the construction or rehabilitation of multi-family housing projects.

Help low-income and elderly families bring their homes to decent, safe and sanitary standards.

Baseline: 2003 -- Helped 12,939 low-income and elder families bring their homes to decent, safe and sanitary standards.

Target: 2010 -- Help 13,400 low-income and elder families bring their homes to decent, safe and sanitary standards.

Objective 2.2 - Develop community infrastructure

Strategies

- Implement the President's faith-based and community initiative to encourage local faith-based and other community organizations to provide services needed by the entire community.
- Aggressively market the President's faith-based and community initiative and Rural Development's community facilities programs to ensure all eligible applicants are aware of the program.
- Continually assess those Rural Development's programs that support and develop infrastructure to ensure they are not restricting essential rural community and family facilities from using the latest technology if it could improve emergency services, health care, education or public safety.



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- Aggressively market Rural Development's rural utility programs (electric, telecommunication, water, and environmental) to ensure all rural communities in need of upgrading, or making their systems environmentally safe and secure, are aware of the programs.
- In concert with other organizations having a rural interest, Rural Development will assist in the assessment of a community's needs and offer suggestions to the community leaders as to where they might find assistance.
- Provide essential technical assistance to rural communities to help them achieve sustainability.

Performance Measures

Provide rural residents with access to new and/or improved essential community facilities.

Baseline: 2003 -- Access to new or improved community facilities provided to 10.3 million rural residents as a result of funding during the fiscal year.

Target: 2010 -- Access to new or improved community facilities will be provided to 11.5 million rural residents as a result of funding provided in the fiscal year.

Provide rural residents with access to modern utilities.

Baseline: 2003 -- 468,000 residential users benefited from water facilities receiving financing.

Target: 2010 -- 525,000 residential users will benefit from water facilities receiving financing.

Baseline: 2003 -- 4 percent increase in the number of consumers receiving new or upgraded electric service.

Target: 2010 -- 4 percent increase in the number of consumers receiving new or upgraded electric service.

Baseline: 2003 -- 75 percent of all Electric Program distribution borrowers had annual system outage hours equal to or less than 5 hours per consumer.

Target: 2010 -- 87 percent of all Electric Program distribution borrowers will have annual system outage hours equal to or less than 5 hours per consumer.

Baseline: 2003 -- 2 percent increase in new or upgraded miles of distribution and transmission lines.

Target: 2010 -- 2 percent increase of new or upgraded miles of distribution and transmission lines.



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Baseline: 2003 -- .3 percent of kilowatts of generating capacity added by Electric Program generation and transmission borrowers.

Target: 2010 -- 3.3 percent of generating capacity will be added by Electric Program generation and transmission borrowers.

Serve as catalyst in identifying sources of assistance for rural communities.

Baseline: 2003 -- Leveraged other funds, including regular loan or grants from Rural Development programs, with funds for Rural Development-supported communities at the rate of 16.58:1.

Target: 2010 -- Leveraged funds from other sources, including regular loan or grant fund from Rural Development programs, with funds for Rural Development-supported communities at the rate of 17:1.



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